

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

BIG LOTS, INC., *et al.*,

Debtors.<sup>1</sup>

Chapter 11

Case No. 24-11967 (JKS)

(Jointly Administered)

**Re: D.I. 1556, 1923, 2001**

**CERTIFICATION OF COUNSEL REGARDING ASSUMPTION AND ASSIGNMENT  
OF NONRESIDENTIAL REAL PROPERTY LEASE**

I, Marla S. Benedek, counsel to Variety Stores, LLC (“Variety”), certify as follows:

1. On January 2, 2025 the Court entered the *Order (I) Approving the Asset Purchase Agreement, (II) Authorizing and Approving the Sale of Certain of the Debtors’ Assets Free and Clear of All Claims, Liens, Rights, Interests, Encumbrances, and other Assumed Liabilities and Permitted Encumbrances, (III) Authorizing and Approving the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (IV) Granting Related Relief* [D.I. 1556] (the “Sale Order”).<sup>2</sup>

2. On February 3, 2025, pursuant to paragraph 43 of the Sale Order, the Debtors filed their *Notice of Fifth Post-Closing Designation Notice* with the Court [D.I. 1923] (the “Designation Notice”). Among other things, the Designation Notice attached a list of 200 of the Debtors’ unexpired leases of nonresidential real property that had been designated for assumption by the

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<sup>1</sup> The Debtors in these cases, together with the last four digits of their respective employer identification numbers, are as follows: Great Basin, LLC (6158); Big Lots, Inc. (9097); Big Lots Management, LLC (7948); Consolidated Property Holdings, LLC (0984); Broyhill LLC (7868); Big Lots Stores - PNS, LLC (5262); Big Lots Stores, LLC (6811); BLBO Tenant, LLC (0552); Big Lots Stores - CSR, LLC (6182); CSC Distribution LLC (8785); Closeout Distribution, LLC (0309); Durant DC, LLC (2033); AVDC, LLC (3400); GAFDC LLC (8673); PAFDC LLC (2377); WAFDC, LLC (6163); INFDC, LLC (2820); Big Lots eCommerce LLC (9612); and Big Lots F&S, LLC (3277). The address of the debtors’ corporate headquarters is 4900 E. Dublin-Granville Road, Columbus, OH 43081.

<sup>2</sup> Capitalized terms not otherwise defined in this Certification shall have the meanings provided in the Sale Order.

Debtors and assignment to Variety (the “Designated Leases”), and identified the landlord associated with each Designated Lease.

3. The Debtors served the Designation Notice on the landlords as described in their claims agent’s Affidavit of Service [D.I. 2032]. Variety separately served its information regarding adequate assurance of future performance pursuant to section 365(f)(2)(B) of the Bankruptcy Code on the landlords as described in Variety's Affidavit of Service [D.I. 2049].

4. The Designation Notice attached, as Exhibit C thereto, a form of *Order Pursuant to Sections 363 and 365 of the Bankruptcy Code Authorizing the Debtors-In-Possession to Assume, Assign and Sell Certain Non-Residential Real Property Leases* (the “Proposed Order”). Among other things, the Proposed Order provides for the assumption of the Designated Leases by the Debtors, the assignment of the Designated Leases to Variety, and the fixing of the Cure Costs for the Designated Leases at the amounts set forth on the schedule attached as Exhibit A to the Proposed Order.

5. Among the Designated Leases was the Debtors’ unexpired lease of nonresidential real property located at 4901 Palm Beach Blvd., Ste 230, Fort Myers, Florida (Big Lots Store No. 541) (the “Fort Myers Lease”). On February 18, 2025, the landlord under the Fort Myers Lease, DGN Properties LLC (the “Landlord”), filed an objection [D.I. 2001] (the “Objection”), expressing certain objections regarding the Debtors’ proposed assumption of the Fort Myers Lease and assignment of such lease to Variety.

6. The Landlord, the Debtors, Variety, and/or Gordon Brothers Retail Partners, LLC (“Gordon Brothers” and, together with Variety and the Debtors, and the Landlord, the “Parties”), through their respective counsel, have engaged in discussions regarding potential resolution of the Objection. Following arm’s-length negotiations, the Parties have agreed to resolve the Objection

by revising certain provisions in the Proposed Order. A revised form of order incorporating the Parties' agreed-upon revisions (the "Revised Proposed Order") is attached to this Certification as Exhibit "A." For the Court's reference, a comparison of the Revised Proposed Order to the original Proposed Order is attached to this Certification as Exhibit "B."

7. Counsel for each of the Parties has reviewed the Revised Proposed Order, and each Party, through its counsel, agrees to the entry of the Revised Proposed Order. Counsel note also that the Revised Proposed Order reflects revisions to paragraph 7 in accordance with the Court's comments at the status conference on March 12, 2025, regarding FF&E and any property owned by the Landlord.

8. Accordingly, the Parties respectfully request that the Court enter the Revised Proposed Order at its earliest convenience.

**COZEN O'CONNOR**

Dated: April 2, 2025

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